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ECONOMIC, SOCIAL AND CULTURAL RIGHTS

Written statement*/ submitted by the Commission of the Churches on International Affairs of the World Council of Churches, a non-governmental organization in general consultative status

The Secretary-General has received the following written statement which is circulated in accordance with Economic and Social Council resolution 1996/31.

[4 December 2000]

*/ This written statement is issued, unedited, as received from the submitting non-governmental organization(s).

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Economic, Social and Cultural Rights

1. The World Council of Churches and its member churches have consistently affirmed that the Christian faith must speak with conviction and relevance to the political, social and economic problems of contemporary society. The understanding of the wholeness of the Gospel leads to political sensitivity, a socio-economic discernment resulting in specific stands and actions in the struggle for justice for all. The ecumenical movement has a long history of moral criticism of the economic order. Points of critique include lack of economic democracy, social injustice and the stimulation of human greed. The World Council of Churches has repeatedly voiced its concern and spoken out against the present unjust economic system that is based on flagrant international inequality in the distribution of knowledge, power and wealth. It has denounced the acquisitive materialism that has developed into a dominant ideology of our times. It was over two decades ago, in August 1974, when the Commission of Churches on International Affairs spoke about economic injustice in the following terms that remain relevant: *"Every generation in human history has been confronted by injustice in the systems regulating the economic, social and political relationships of individuals. Today we face an unjust international system regulating the economic relationships of nations and peoples. This system is dominated by a minority composed of highly developed countries who control the world in accordance with their own order of priorities. But this system has been challenged by a majority of nations in the world"*. The process of rapid globalisation of national economies today has only increased social and economic injustice in the world and further widened the gap between the rich and the poor.

2. The VIII Assembly of the World Council of Churches (Harare, 1998) addressed the negative impact of globalisation and made the challenge of globalisation a central priority. The Assembly said *"that despite the independence of many formerly colonised people, power is increasingly concentrated in the hands of a relatively few nations and corporations, particularly in the North. Their power extends across the globe into many areas of life. Their power is extensive and intensive. Major decisions are made by these thirty or so nations and sixty giant corporations. The international globalisation of production, capital and trade further strengthens the power of financial centres of the global market. Globalisation affects all of us. It contributes to the erosion of the nation-state, undermines social cohesion and intensifies the conquest of nature in a merciless attack on the integrity of creation. The debt crisis and structural adjustment programmes become instruments to gain more control over national budgets and create a profitable and safe environment for investments by the private sector at an unbearable costs for the people"*. Following this mandate the WCC has intensified its work on globalisation, focusing on its impact on the human rights and dignity of peoples and communities all around the globe.

3. The process of globalisation has rendered national economies vulnerable to outside economic forces, often in alliances with national elites whose interests are served by imposed models of economic development. The reinforcement of these political alliances has systematically removed from ordinary people the social power to order and direct their lives. Traditional life styles of self-reliance have been undermined by integrating people into a market culture that encourages consumption but denies the means to fulfil their aspirations. Strong pressures for social regulation marginalize and punish those who cannot sell their productive labour and those who resist cultural and

economic integration and homogenisation. The free-market ideology that fuels the engine of globalisation claims that competition, and commodification in the production and distribution of goods and of human beings themselves, is natural and moral. However, the rapidly growing inequality within and between nations has fragmented societies by fomenting new, destructive religious, ethnic, linguistic and other divisions. The globalization process has imposed inhuman working conditions on millions of people that are forced either into unemployment or casual labour with no social protections and thus into poverty and despair. It has increasingly undermined the participation of large sectors of society in the political process within their own states, making a mockery of democracy. It has eroded democratic participation at the international level as well, promoting the fiction that economic and political decisions can be taken separately. The increasingly dominant role of economic mechanisms such as World Trade Organisation, World Bank and International Monetary Fund circumvents the political mechanisms of international cooperation embodied in the UN Charter.

4. The World Council of Churches welcomes the preliminary report of the Special Rapporteurs, Joseph Oloka – Onyango and Deepika Udagama on *"Globalisation and its impact on the full enjoyment of human rights"*. (E/CN.4/Sub.2/2000/13) This report discussed at the 52nd Session of the United Nations Sub-Commission on the Promotion and Protection of Human Rights is timely and pertinent. It draws attention in clear and lucid terms to the negative aspects of globalisation that lead to the exclusion of large sections of people in the Global South from the social benefits of globalisation. Its exposé on the role of international economic and financial institutions is of particular value. The report rightly points out that the World Trade Organisation and the International Monetary Fund *"must cease treating human rights issues as peripheral to their formulation and operation."* The World Council of Churches looks to the follow-up of the Rapporteur's recommendations that call for formulating guidelines that would lay down the framework for the basic human rights obligations of the main actors of globalisation. If implemented this would provide badly needed checks on unfettered actions of international financial institutions.

5. Since the VIII WCC Assembly different programme units of the World Council of Churches in cooperation with churches and related organisations have organised workshops, consultations and seminars at national and regional levels and have also commissioned papers to assess the impact of globalisation particularly on social, economic and cultural rights. The findings reveal that globalisation with its emphasis on liberalisation is at odds with principles of sustainable community development that ensure and guarantee basic human rights. It promotes the reduction of state regulations on the market, letting free market forces reign supreme, and allows the high degree of freedom to large corporations. A direct outcome of this is the shift in donor approaches from funding individual development programmes to regional funding through centralised fund approving structures. This top-down approach has effectively sidelined concerns for equity and real participation of the poor and disadvantaged in decision making. As a result national development is guided even more by external actors, giving rise to strong new peoples' movements against centralised control of global corporations and institutions. In region after region micro-credit from international financial institutions and other capitalist institutions is presented as a panacea for all ills of under development, and foreign investment is diverting local

resources from survival needs of the local people to the limitless demands of the global markets.

6. In October 2000 the WCC, in cooperation with the World Alliance and the Africa Alliance of the YMCAs, organised a workshop in Bagbe, Togo on *"Globalisation and its impacts on Human Rights in Africa."* Some 30 participants from nine African countries identified challenges and outlined an agenda for action. They noted that while international norms and standards of human rights are gaining acceptance all around the globe, the contradictions resulting from the project of globalisation of the world economy acts as a barrier to their realisation and contributes to their violation. The workshop pinpointed the following elements of globalisation that pose obstacles to the realisation of basic human rights of the African people:

   - The project of globalisation is a link in the chain of series of exploitative actions to appropriate the resources of the countries of the South by the countries of the North – first through slave trade then through colonialism and now through neo-liberalism.

   - The breaking down of borders and economic barriers have paved the way for imposition of unfair and unequal trade and economic conditions, often prescribed by international financial institutions like the WTO, IMF, and WB through policies like the structural adjustment programmes causing displacement, marginalisation and social exclusion of the people of Africa.

   - Globalisation is a denial of the process of self-reliance, building and strengthening of local and national capacity by providing unfair incentives to foreign investors through tax exemptions, repatriation of profits etc.

   - Globalisation encourages policies of deregulation, privatisation and liberalisation that result in erosion of power and authority of the state, deprivation of social security, breakdown of family and civil structures leading to displacement and migration.

   - Globalisation compels people to seek security in ethnic, religious and national groupings that promote hatred and xenophobia leading to violence and civil strife.

   - Globalisation has resulted in violations of human rights of the African people. For example structural adjustment programmes in the region were introduced as a mode of intervention that offered financial resources to countries if they agreed to follow certain guidelines. In reality this has meant privatisation, wage restrictions and currency devaluation. It has promoted deep social and economic crises characterized by unemployment and loss of national sovereignty and has fostered dependency on foreign aid as opposed to self-reliance and development of local and national capacity, thereby depriving people of employment or the right to work.

   - The debts incurred during structural adjustment programmes have increased the dependency on IMF and WB taking away the countries' political, economic and social power, leaving them vulnerable and without national sovereignty. The debt burden also affirms the belief that the North is superior thus putting the dignity and self-esteem of the African people under constant pressure and making them feel inferior.